Human Events *A Weekly Analysis for the American Citizen*
Combined with the Magazine ANALYSIS
Editorial Office 1710 Rhode Island Ave., N. W., WASHINGTON 6, D. C. *Telephone* NATIONAL 2066

VOL. VIII, NO. 17, *Issue Number* 378, APRIL 25, 1951 ★ *Editor:* FRANK C. HANIGHEN ★ *Associate Editor:* FRANK CHODOROV

REPUDIATE YALTA AND POTSDAM

By William Henry Chamberlin

The private arrangements between the leaders of the "Big Three" powers are the nearest equivalent of a peace settlement after the Second World War. These arrangements were concluded between Stalin, Roosevelt and Churchill at Teheran and Yalta, between Stalin, Truman and Attlee at Potsdam. And no major peace settlement in recorded history has broken down so completely so fast.

Any American who would advocate today that this country carry out the agreements of Yalta and Potsdam would reveal himself as either a sympathizer with the Kremlin or an incurable ignoramus in foreign affairs. Almost every important decision at these conferences now stands revealed as a major national security risk. We find ourselves in the position, at once tragic and ridiculous, of trying to escape from the trap which we helped to set for ourselves by acquiescing in a peace settlement that was both a denial of all the ideals for which the war was professedly being fought and an abandonment of some very vital considerations of American national security.

There have been many cases when nations endeavored, with more or less success, to escape from the consequences of defeat. The United States for several years now has been presenting a less familiar spectacle: a nation trying to escape from the consequences of a military victory so badly botched and bungled politically that it has been little less disastrous than a defeat. It is a saddening proof of the power of standardized cliché-thinking and unwillingness to consider questions on their factual merits that the legend of Franklin D. Roosevelt as a wise, farsighted statesman should persist, in the face of the visible collapse of the peace settlement on which he staked his political reputation.

It is interesting to consider what our prospects would be in the global struggle, hot and cold, with the Kremlin, if the specific provisions and the spirit of the Yalta-Potsdam agreements continued to dominate our foreign policy. The United Nations, of course, would be completely stymied by the veto power conceded to its charter members.

We should be committed to maintaining the complete disarmament of

Copyright 1951 by HUMAN EVENTS, INC.

PRODUCED BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

Germany and Japan, thereby destroying any chance of creating effective counterweights to Soviet power in Europe and in Asia. We should be obliged to keep the German economy in an unprecedented straightjacket, with the alternatives of starvation for some and dire poverty for almost all Germans or huge subsidies from America to maintain a tolerable living standard, in view of the restrictions which Potsdam prescribed for German industry and trade.

We should be required to return fugitives to the Soviet Union, thereby ending any possibility of a political and psychological warfare aimed at driving a wedge between the Soviet peoples and their Communist rulers. We should be committed to trying to overthrow the Franco regime in Spain, while accepting as permanent allies the more sanguinary Communist dictatorships in Eastern Europe.

II

The Yalta Conference between Roosevelt, Stalin and Churchill took place in this Soviet Crimean resort from February 2 to February 11, 1945. It represented the highwater mark in the Roosevelt Administration's policy of trying to "get along" with Stalin by giving him everything he asked for and throwing in a few additional concessions for good measure. Alger Hiss, the only member of the American delegation at Yalta who received punishment after participating in the signing of an instrument that is at the root of many of America's present difficulties, must have been satisfied with the results of Yalta.

For the chief of these results was the confirmation of Stalin's domination both of Eastern Europe and of East Asia. Held without the presence of any Polish representative, this conference sanctioned a grotesque mutilation of Poland's natural boundaries. Almost half of Poland's pre-war territory and about one-third of the Polish population were transferred to the Soviet Union. Supposedly as compensation Poland was promised substantial additions of German Territory, inhabited by a population that was ethnically solidly German.

Although the communiqué which was issued after the end of the Yalta meeting was full of pious professions of respect for the Atlantic Charter, the ideal of national self-determination which is implicit in the first three clauses of the Charter was trampled under foot. There was no semblance of a free plebiscite of the people concerned about the transfer of Polish territory to the Soviet Union, of German territory to Poland. These unprincipled annexations were accompanied by a mass uprooting of people from their homes -- an act of singular inhumanity which will poison the atmosphere of Europe for an indefinite future.

PRODUCED BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

The betrayal of Poland at Yalta was matched by the betrayal of China. Without consulting or even informing any representative of the Chinese Nationalist government, Roosevelt fatuously bribed Stalin to intervene in the war against Japan by promising that the Soviet Union should receive the Kurile Islands, South Sakhalin, Outer Mongolia and, most important of all a preferred position in Manchuria, richest and most industrialized area of China. The Soviet Government was given the naval base of Port Arthur at the southern tip of Manchuria, a right of joint operation of the Manchurian railways and a special position in the trade of the largest Manchurian port, Dairen. The Russian imperialist position which existed before the Russo-Japanese War was restored.

It was no accident that Manchuria, overrun and occupied by Soviet troops, became the assembly point and main military base for the Chinese Communist conquest of China. One can hardly measure the ultimate prospective cost of this development in American lives and resources.

Yalta authorized the dismemberment of Germany, the use of German slave labor as "reparations" and made the United States party to a Twentieth Century Fugitive Slave Act. It was agreed that the United States should undertake to repatriate Soviet Citizens in its zone of occupation. For some time this ignoble agreement was carried out and Soviet political refugees were handed back to death and concentration camps.

III

The Potsdam conference, held from July 17 until August 2, 1945, was a sequel to Yalta in its contempt for the Atlantic Charter and its abandonment of the American interest in an economically stable and viable Europe. It authorized "the transfer to Germany of German populations or elements thereof, remaining in Poland, Czechoslovakia and Hungary". This placed a final seal of approval on an operation comparable with the worst Nazi atrocities in its cruelty and its far-reaching disastrous social and economic consequences.

This was the driving from their homes, without compensation or any opportunity to remove their property, of some fourteen million Germans and people of German ethnic origin. About two-thirds of these unfortunate human beings lived in the German provinces east of the Oder-Neisse frontier line. The others were people of German stock whose ancestors had, for the most part, lived for centuries in the Sudetenland region of Czechoslovakia, in Poland, Hungary and other countries of eastern and southeastern Europe.

The mass deportations were carried out so brutally that most students of the subject believe that as many as two million human beings

PRODUCED BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

perished in the process. And, as every visitor to post-war Germany knows, the presence of many millions of embittered, destitute, uprooted people creates a political, economic and social problem of the first magnitude.

Besides sanctioning these ruthless deportations the Potsdam conference drew up an elaborate blueprint for the economic vivisection of Germany. It called for the complete prohibition of many industries in Germany and prescribed arbitrary sharp restrictions on the output of others essential both to the reconstruction of Europe and to Germany's capacity to earn its national livelihood. It authorized the dismantling of many German industrial plants.

While the Potsdam Declaration did not embody all the vengeful folly of the Morgenthau Plan, it did create many roadblocks for German recovery, which only started after the decisions of Potsdam in the western zones were scrapped or drastically modified.

IV

There would be several advantages if the Senate, or both Houses of Congress, would pass a resolution formally repudiating both the Yalta and the Potsdam agreements. There would be every justification for such a step, because the Soviet Government has consistently disregarded the pledges (in these declarations) which it found inconvenient to keep.

The Yalta communiqué, for instance, promised "free and unfettered elections in Poland"; and it was agreed at Potsdam that Germany should be treated as an economic unit and that democratic parties should be encouraged. But the only national election held in Poland, in 1947, was a fraudulent farce, in the opinion of all the foreign correspondents who witnessed it, except the representatives of Tass, the official Soviet news agency, and the now defunct PM. The Soviet zone from the beginning was sealed off from the rest of Germany and democratic parties have long been completely suppressed there.

Both Yalta and Potsdam were horrible examples of irresponsible secret diplomacy. Formal repudiation of both these instruments, with their immoral and inexpedient provisions, would be an assurance against any relapse into a policy of appeasement. It would be a tardy atonement to the pro-western Poles. It would give the Germans a much stronger reason for siding decisively with the West by showing that America does not accept the morality or the legality or the finality of the Oder-Neisse frontier. It would be a useful move in the necessary effort to escape from a victory so appallingly misused as to be almost indistinguishable, in some of its consequences, from defeat.

Quotation up to a paragraph is permitted with credit to HUMAN EVENTS. For reproduction or more extensive quotation address requests to HUMAN EVENTS, 1710 Rhode Island Avenue, N. W., Washington 6, D. C. Trial subscription, three months for $3. Six months, $5.50. One year, $10. Two years, $18. Domestic airmail (including APO and FPO) one year, $12.00; foreign (regular mail) one year, $11. Foreign airmail rates on request. Please remit in U.S.A. DOLLARS. Allow two weeks for new subscriptions or change of address to become effective.

Application for entry as second-class matter is pending.

PRODUCED BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

Not Merely Gossip *A Supplement to* Human Events Vol. VIII, No. 17

By Frank C. Hanighan April 25, 1951

MAC AND IKE: The prospect of Eisenhower testifying before Congress about the MacArthur strategy has stirred tongues in this town to even greater activity in the past 24 hours.

Yet what most people, at this moment, do not know is the undisclosed part of the Administration's scheme to exploit Ike for its political purposes: the White House not only wants the European commander to testify before the Armed Services Committee; they are also urging him to consent to speak to the American people in a nation-wide broadcast. This -- according to those who are in a position to know -- Eisenhower is reluctant to do.

Meanwhile, it is being said that MacArthur has stalled on his appearance before the Committee. He has -- after a fashion. But this delaying action does not -- we are assured by the best of sources -- signify any real hesitancy. Actually, Mac is "raring to talk". But, he would like to testify after Marshall, Bradley and Eisenhower. Any good debater understands why.

* * * * *

THAT SPEECH: Despite the deafening "leaks" provided by the Administration's publicity corps, the town has been trying to study the historic utterance of MacArthur before Congress. The Great Debate has ended -- the Grand Debate has begun.

It's a hard job, the study, because even those eyes which remained dry during the moving finale of the speech, are blurred and confused by several things: (1) the late Commander was very naturally reporting on his theater, the Pacific; yet (2) his ideas and the sweep of his strategic explanation leaped all such bounds, and his vision was global.

Apparent contradictions naturally crept in and due to restricted time were not explained. Moreover, a General (this general anyway) uses words with certain military meanings, which are differently understood by the lay mind.

For instance, the usually careful Washington Star missed an important meaning when it ran a headline, "MacArthur Says U.S. Can Hold Two Fronts". The General said nothing of the kind. He criticized the "defeatism" of those "who say we cannot protect ourselves on both the Asiatic and European fronts". If we didn't protect ourselves in both the Pacific and Atlantic, we might cease to survive as a nation.

But protect does not signify holding two ground warfare fronts (as the average layman visualizes them), one in Western Europe and one all over the map of Korea and China. It might mean ground warfare in one or the other, or -- perhaps -- in neither. In short, the General was talking in terms of sea-and-air power exerted from strings of bases; and with the underlying sense that, with such power as a threat, protection could be achieved on all fronts.

Boiled down, his prose seems to express the "sea-and-air" thesis, similar to that presented by Hoover and Taft. There emerges a concept for the protection of America which treats Russia as an entity and is not broken down into narrow categories of "an Asiatic war" or a "European war". For, it gives hope that no war may be waged, that war might be prevented by our sea-air power acting as a "threat" which Russia would not dare challenge.

Such, at least, are interpretations of the speech obtained from military men here who are familiar with MacArthur's military ideas. Meanwhile, the more Senators scrutinize the speech, the more they find need for clarification.

In one place, the General rules out ground warfare in continental China; yet in another approves the Korean intervention as proving militarily "sound". Some

Copyright 1951 by HUMAN EVENTS, INC.
PRODUCED BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

believe that the General meant that it was "sound" because we were able to defeat the North Koreans and accomplish the original mission. The General had previously emphasized that a quite different mission started when the Chinese came in. Other friendly but searching criticisms have been made, which the General should answer.

In view of all this, members of Congress are asking that the General be given a chance to deploy his ideas, more fully and comprehensively, on the whole question of U.S. defense, in Europe as well as Asia, when the Armed Services Committee receives him. A full review, in other words -- and in public, not secret session, so that all may hear.

* * * * *

SIDELIGHTS: Significant of the strong pro-MacArthur mail on Capitol Hill was the experience of Representative Emmanuel Celler. This legislator is a strong Fair Deal Democrat from a left-wing New York City constituency. Letters from his constituents have been running about 70 to 30 in favor of MacArthur.

---- It was a case of Acheson to Bradley to Acheson. We refer to the curious case of General Bradley's famous Chicago speech which, as every right-minded Democrat knows, wasn't political at all. Inside story is, as follows: First, Dean Acheson and his scribes in the State Department "edited" the Bradley speech before the General gave it on April 17. Next night Acheson in his speech nailed down his thesis by quoting from the "General's" speech. Acheson to Bradley to Acheson.

---- Public relations men in the Capital observe that the Administration's publicity machine is creaking badly. They characterize as clumsy work the failure really to answer MacArthur's crack about the Joint Chiefs of Staff, and the "leak" about the Wake Island meeting to the New York Times.

* * * * *

"EXPANDED WAR": The Administration since the MacArthur speech has speeded up and increased aid to Formosa -- and makes little pretense that the aid is for "defensive purposes". And the Wall Street Journal on April 20 reported that the Administration plans to bomb Manchuria, unless the Reds agree to peace.

The real phantom that has scared the Administration into these steps is not MacArthur, but the situation which the handicaps imposed on MacArthur have caused. The fact is that air strength built up behind the Reds' lines in Korea and in Manchuria has worried the White House and Pentagon. This air power might possibly enable the Reds, in another offensive to push our forces back to the coast -- and might cause tremendous losses. Indeed, such air power could prevent many of our troops -- in the case of such a defeat -- from being successfully evacuated.

Hence, the Administration simply has to make preparations along the line recommended by MacArthur. Four months ago, the General apparently wanted to "get out" of Korea; he could have successfully evacuated troops from the peninsula then, because the enemy did not have air power. Now it has. Hence, the General did not talk about "getting out of Korea" the other day. He knows that moves for what the Administration brand as "expanded war" -- that is, bombing of Manchuria, and sending Chiang's troops to the mainland -- would be necessary to take the pressure (now reinforced by air) off our Korean forces. MacArthur knows that -- so does the Administration. That's why they have to follow his line.

* * * * *

THE MACARTHUR PHENOMENON: What is the meaning of this extraordinary phenomenon -- MacArthur's capture of the American people? For that is obviously what has happened: the populace, spurning the elected leader, turns enthusiastically -- in this strange sort of democratic imperium of ours -- to the home-coming pro-consul. But why? Is the popular vision romantic, beholding the General as Ariel descending to displace what for some time has been Caliban? Perhaps. But it is probably much more complex than that.

PRODUCED BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

The times are troubled. A combination of angry discontents -- about taxes, controls, mismanagement at home and abroad -- have been distilled by the advent of MacArthur into a resounding protest against the incumbent Administration and is alchemized suddenly into cheers for the General. Possibly, at first, MacArthur had little to do with it. Four months ago his stock was low. But -- almost like a law of physics -- as the prestige of Truman descended, MacArthur's mounted. Something like that happened. We are not sure -- for this historic phenomenon is difficult to analyze and may provide arguments for historians for years to come.

There is another way of looking at it. About two decades ago, the ruling business class was ousted and a revolution began. For nigh on two decades, the new ruling class, the intelligentsia and their allies among the politicans, has shaped foreign as well as domestic policies. By skillful techniques of thought control, and by juggling the two balls of "security" and "foreign danger", the intelligentsia have held the masses and maintained themselves in power. So skillfully have they moved, indeed, that the masses have been lulled to accept the most incredible foreign adventures. But, finally, Korea -- the ultimate of these adventures -- arrived. And, through its tragic futility, the people have come to see it for what it is: the reductio ad absurdum of our foreign policy.

But how was the protecting shield of thought control pierced? Well, some 250,000 "press agents" in uniform in Korea wrote home and told their story. Meanwhile some magnificent crusades in portions of the press helped, to which were added some persuasive voices from Capitol Hill; and finally plain common sense among the people struggled to the top. Thus was the propaganda web of lies broken. In short, something like that helped create the extraordinary phenomenon of the hero's return.

But where is all this going? Will it "fade away"? It is not likely to fade soon. It may set off another revolution to replace that of the last two decades. Or, on the other hand, the highly organized machine of idea control of the intelligentsia might capture, or at least alter it. That machine has beaten the business class for twenty years and may do it again. Its greatest advantage is that the business class has failed to create its own intelligentsia, its own ideas and its own machinery for propagation. Why that is so -- is quite another story. Meanwhile, the MacArthur phenomenon poses the question -- can a leader so warmly acclaimed by the masses continue to confound the machine?

* * * * *

AROUND THE TOWN: Winston Churchill is scheduled to arrive in Washington soon -- but not alone. Circles which usually know about such matters say that his travelling retinue will number about fifteen -- family, servants, secretaries, etc. There is wonderment as to just why this apparently full-dress visit is being made now. Is it an attempt to sweeten Anglo-American relations during a very sour period when Anglophobia is on the rise?

---- An important magazine publisher (a Republican with me-too inclinations) last week tarried in Washington on return from a European trip. On that journey, he had studied the European Army setup (such as it is) and, of course, General Eisenhower himself. Friends in the Capital say that, as a result of his foreign observations, the publisher is now contemplating throwing his influence behind Taft.

---- Will the American newspaper publishers now in convention respond to suggestions that they look into the persecution of the Committee on Constitutional Government by the Buchanan Congressional Committee -- a "thought control" apparatus? Dr. Edward A. Rumely, of the Constitutional Government organization, was convicted last week of contempt of Congress after he challenged Buchanan's inquisition.

* * * * *

REVOLT OF THE PRESS: Newspaper editors of the country, gathered in convention here last week, veritably blasted "contemptuous challenges" and "arrogant suppression of news" by Federal and local agencies of government. A committee of the American Society of Newspaper Editors released a report containing the above accusations and

PRODUCED BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

emphasized that public officials propagate "the dangerous notion that individuals in Government can judge what the people should know".

The editors were treated to one of those off-the-record conferences with officials -- including a celebrated general, who is always willing to bolster Administration policy. One of the editors present wondered, in our presence, why such conferences are "off the record", in view of the paucity of news facts and the abundance of propaganda. We explained to him the "thought control" technique of Executive agencies, particularly Defense and State -- how they bring prominent men from all parts of the country, "opinion formers", to the Capital; then have some general or State Department official talk to the group behind closed doors, with strict injunctions not to make any data public. Thus keyed up, the group listens to propaganda, spiced at times with some unpublished but unimportant facts; and the unwary, impressed, return to their communities to spread, in conversation or speeches, the attitude of the Administration. An old trick of our "thought controllers".

* * * * *

THOUGHT CONTROL: The State Department's propaganda activities (mentioned in the preceding item) come in for criticism in a new and excellent pamphlet by Felix Morley, our former colleague. This 68-page essay, entitled The Foreign Policy of the United States, presents a comprehensive and critical review of our foreign policy from the founding of the Republic, but the most timely section deals with the past ten years which Mr. Morley correctly describes as "the most disastrous in the entire diplomatic history of the Republic".

The author then tackles the State Department's propaganda campaign quoting the Department's own claim that it has made a "prodigious" effort "to establish closer relations with the people, to develop a two-way traffic of facts and ideas". This, it is pointed out, has been simply an effort to "sell its program to the people". Morely goes on, "Although it claims to believe in 'two-way traffic' the Department of State does not print or furnish for domestic information any criticism whatsoever of its policies. The most trivial speeches by minor bureaucrats are reprinted as documentary material in the Department of State Bulletin. Defensive pamphlets, books and reports pour forth from its Division of Publications. Lecturers, editors and correspondents are frequently called together, entertained and 'briefed' on what they should say in support of departmental policies. . . . But the Department of State never disseminates in this country any material that is in any way critical of its policies. It replies to these criticisms, at public expense, but does not publicize them."

Mr. Morley's pamphlet is published by the American Enterprise Association, Inc., 4 East 41st Street, New York 17, N. Y. Price 50 cents. We offer this information not only for readers of HUMAN EVENTS, but also for the State Department. Having doubtless merely forgotten to make its public relations traffic "two-way", the Department will -- we may firmly anticipate -- now offer Mr. Morley's pamphlet to the American public.

* * * * *

OPERATION SUCCESS: Price "control" is a marvelous success: in only three months nearly 5,000 controllers have enrolled in the Office of Price Stabilization, in Washington and in the regional and district offices throughout the country. More will be hired in due time; head stabilizer DiSalle expects to triple the staff by June. What do they do? Orate, explain, issue pamphlets; rent office space, buy desks, office machinery, paper, pencils; they have hauled up one ceiling buster in court, have a number of "cases" in preparation. All of these activities are only incidental to the main purpose, which is the enlargement of the payroll. Eureka!

Quotation up to a paragraph is permitted with credit to HUMAN EVENTS. For reproduction or more extensive quotation address requests to HUMAN EVENTS, 1710 Rhode Island Avenue, N. W., Washington 6, D. C. Trial subscription, three months for $3. Six months, $5.50. One year, $10. Two years, $18. Domestic airmail (including APO and FPO) one year, $12.00; foreign (regular mail) one year, $11. Foreign airmail rates on request. Please remit in U.S.A. DOLLARS. Allow two weeks for new subscriptions or change of address to become effective.

Application for entry as second-class matter is pending.

1710 RHODE ISLAND AVENUE, N. W., WASHINGTON 6, D. C.

PRODUCED BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

European Supplement *to* Human Events Vol. VIII, No. 17

MAY 2 '51

By Bertrand de Jouvenal Paris -- April, 1951

THE COWED CAPITALIST: While in the States I enjoyed meeting American industrial leaders. So, on my return to France, I decided to meet some of their counterparts over here. What a difference I found in psychological attitude! The former proudly described their rise and achievement, confident of applause; the latter speak like men on trial, fearful that they will lend force to the accusation.

I lunched with Mr. A., president of a big French industrial corporation. His first concern was to assure me that he isn't really a capitalist, has only a nominal holding in the company, lives on a salary and is, therefore, not actuated by the profit motive. This, he added, is the case today of a great majority of French leaders. I interjected: "A regrettable state of affairs!", but he took no notice.

He went on to prove that his condition is not an enviable one. Workers blame him for low wages and shareholders for insignificant dividends. But what can he do? The government on the one hand takes enormous amounts in taxes, and obliges him to make contributions to social security which make an addition of 45 per cent to the wage bill; on the other hand it forbids him to raise prices. The business, he contended, is operating at a loss and wasting its substance. Most of his time, he complains, is spent arguing for permission to increase the sales price.

I have not looked into the financial problem of industry closely enough to know whether the verdict of the capital market (which has knocked down shares by 60 per cent in real value during the last four years) is justified. But there is ample evidence that the industrial leaders of the big established concerns feel harassed and dispirited, being treated as naughty boys by the officials and held up as evil men to public opinion.

Yet facts are piling up to disprove the notion that the capitalist is the father of all evil.

* * *

NATIONALIZATIONS AS OPPORTUNITIES FOR ECONOMIC EDUCATION: The recent strike of public transport annoyed the Parisians considerably. It might have been used to force upon them an understanding of economic problems. They were told by the labor group that wages were low, and their sympathy was solicited too. They might have been told also that wage costs absorbed some 70 per cent of traffic receipts, and that therefore they had it in their hands to raise wages by 20 per cent, if they so wished, at a cost of a 14 per cent increase in tariffs.

In a publicly-owned, non-profit-making industry which directly serves the consumer, surely it is advisable to tell the public: "There is no one but you available to bear the brunt of added expenditure. This will come to so much, which will mean that you must pay so much more for your ticket." Such presentation of the facts would teach the citizen a long-overdue lesson: that there is not a unique conflict of interests between the capitalist alone and everybody else, but a universal conflict of interests, which the disappearance of the capitalist cannot allay.

Rulers needlessly complicate their task by refusing to bring the problem to light, even when they can do so as easily as in the aforementioned case. They grant a little raise, try to muddle along on a slightly higher subsidy, then find it insufficient, and proceed to increase prices when the cause is forgotten.

Copyright 1951 by HUMAN EVENTS, INC.

PRODUCED BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

Britain's nationalized transportation system is now proposing a sharp increase in passenger fares: as much as 10 per cent for monthly round-trip fares outside London, something between 10 and 20 per cent for season tickets; and in London itself, the average level of passenger fares would be raised by 20 per cent, while the minimum bus fare would be raised to 23 cents. The London Trades Council describes this as "a monstrous imposition on the people of London".

It does seem hard, but capitalist greed is not there to bear the blame. How regrettable! Nor is capitalist greed available to explain the increases which the French nationalized railways must soon demand. The French railways, while technically quite excellent, display in their finances the outcome of a policy which has sought to reconcile low prices for the consumer with high labor costs. The operating expenses of French railroads (taken in the narrowest sense) were one billion dollars in 1950. Total operating income was 750 millions. Labor costs alone were above 600 millions.

This total labor cost, however, has a strange sort of breakdown. Of the total labor expenditure, only 52.6 per cent finds its way into the workers' pockets as take-home pay; the remainder is spent on benefits for the 450 thousand employees, 350 thousand pensioners, and a million dependents of both groups. There are 350 thousand railroad pensioners compared to 450 thousand railroad workers, as a result of premature retirement (at 50 for engineers, and 55 for others). The railways indeed see to your burial, to your marriage, give you free rides of course, organize your family holidays on their own properties. These are precious privileges in a low-wage society, and it is no surprise that families try to push their sons into the railways.

But somebody has to pay for the expenditure: it is, first, the worker himself in the form of low take-home pay, and, besides the consumer, who must be spared the inconvenience of high prices, it is the taxpayer. What better illustration could there be of the confusion wrought by the new institutions than a state of affairs where workers are offered benefits they pay for in low wages, and consumers are offered low prices they pay for in taxes?

It is not difficult to show up this state of affairs. The difficulty, however, of persuading people into what they think of as the hazards of freedom is immense. They think of freedom as the bold man's chance, not as the common man's way to a better living. We are back where we were before the collectivist economists ever began; and even worse.

* * *

THE COMMON MAN'S MEAT IS THE SOCIALIST'S POISON: Even the most blatant facts fail to teach their lesson. The sturdy Briton has thriven through the centuries on beefsteak which served sometimes as his nickname in France. Now he is meatless. And certainly the state of the balance of international payments does not justify such stringent economy. The April number of The Banker describes the violent bickering of the two Socialistic governments of Britain and Argentina, which has repeatedly hampered meat imports. In the meat trade between Argentina and England, the capitalist and the intermediary have been frozen out. There is one seller, the Argentine government, and one buyer, the British government.

It took ten weeks of negotiations in 1946 to agree on the ruling principles of Argentine meat sales to Britain. The agreement worked for more than ten months, until the convertibility crisis of August, 1947, when the Argentine minister Miranda stopped the export of canned meat to Britain as a warning that Argentina would sell elsewhere rather than "be stuck with worthless sterling". It took nine weeks to reach the Andes agreement by which Britain undertook to send in return for meat stated quantities of coal, steel, petrol, chemicals and machinery, and to deliver to the Argentine government the British private holdings in the Argentine railways (needless to say without the previous consent of the holders). The Andes agreement worked for a few months, until shortages in Argentine deliveries occurred. In his eagerness to get into his hands the shares of stock of Argentine railways, Miranda had contracted to deliver meat cheaply to England; moreover, the Argentine government

PRODUCED BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

took a cut of the receipts; but the estancieros were dissatisfied with the net price he offered and held back.

And so the story goes on, from crisis to crisis, with harder and harder words, and less meat. It has finally come to a climax, with the heroic posture assumed by the British Minister of Food, when he declared that "the great and proud country of Great Britain must stand up to Argentina". He meant that there would be only 88 cents worth of meat a week for British consumers. Imagine what Socialists would have said of a Conservative Minister who would have made his hard bargaining an occasion for flag-waving, and how heartlessly he would have been judged for associating national prestige with empty stomachs.

* * *

PROPERTY RIGHTS: The British Parliament takes it amiss that the Iranian Parliament should trample the rights of the Anglo-Iranian company of which the British Government is part-owner. Nullifying property rights is of course merely what the British Parliament itself has been busy doing over the last few years. But the property rights of foreigners are another matter. Should they not be safe from national law, under the safeguard of international law? Such is the attitude in the British legislative body.

What chance is there of such safety in an age of nationalism and of belief in the absolute right of governments? The real basis of international law rests in the belief that there are rights which governments have no mandate to trespass. If I respect no such rights in the case of my compatriots, why should I respect them in the case of foreigners, except insofar as I fear their fleet? Thus we go back to mere force.

How can there be any international investment under such conditions? The answer is that it does not take place any more. It is to be replaced by Point Four policies. Let us beware, however, that we do not fall into the immorality of rewarding with Western gifts the spoliation of Western investments. Surely there are some standards of behavior to which nations should conform if they are to enjoy the benefits afforded by the Western community.

This brings me naturally to that most unpleasant Prensa affair. We all feel strongly about it. The question is: do we all understand exactly what it is that has happened? A piece of private property has been "returned to the nation" (represented by its government), and "better use" is henceforth to be made of it, now that it is out of the hands of "an irresponsible owner". Are all those who condemn this crying injustice prepared to condemn the ideas called upon to justify it?

Do they agree that "the nation" has no right to "take over" a newspaper property from a "misguided owner"? A "misguided owner" is of course, one who displeases the present rulers. I would be very happy if all the protesters would go on record as to there being no such right. But if there is no such right in the case of newspaper properties, why should there be any such right in the case of other properties? Or is the protest not a matter of principle; does it simply arise out of the fact that we all liked and respected the Prensa? Perhaps it is because no principles lend their force to the protest that it so unfortunately falls flat.

The French newspapers were noticeably discreet about this unfortunate event. Indeed, they owe their very existence to precisely the same operation as the new Prensa now being set up by Peron. After the war newspaper properties were taken over by the nation and reallotted. There is no suggestion that their owners were in any way as deserving as those of the Prensa. But rights are very insecure where their validity is subject to one's like or dislike of the men in whom they happen to be vested.

* * *

TRIFLING WITH PRINCIPLES: We reproach the Communists for their immorality. We would certainly be stronger in opposition if we respected our principles, and did not ever shift them to suit interests and passions.

PRODUCED BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

A curious instance of such shifting occurred during the recent trial of General von Falkenhausen in Belgium. He was violently taken to task for the execution of résistants under his governorship, and as he excused himself by referring to the laws of war, one of the jurors exclaimed: "It is a holy duty of the citizens to kill members of the occupying forces!" The General's German lawyer softy queried: "Am I to go back to Germany and convey to my compatriots this belief?"

That Germany is to be an important part of the West is beyond question. Indeed the only alternative seems to be that she should become an important part of the East. That nation received a great psychological shock through its utter defeat. And awakening to the atrocities committed by the Nazis, she was consequently predisposed to moral reform. I sometimes wonder whether we have taught her to respect the principles we asserted or whether we have brought them into disrepute in her eyes.

* * *

MARSHAL PÉTAIN: As I write, I am apprised that the end is near for Marshal Pétain. When it occurs, the great majority of the French will be afflicted by a sense of guilt. There is no real doubt in their minds that when the old man took office in 1940, he was moved by pity for the prostrate nation and meant to interpose his fame between them and the enemy into whose hands they had completely fallen.

I remember hearing his first broadcast: It was during the retreat; my fellow soldiers and I listened to it in a bakery where we had failed to find bread. It is against this background of exhausted and hungry men that I shall ever hear his voice. It was clear that he spoke in anguish, that he came as an old soldier to perform his last service. Was it well performed?

The story has not yet been told of this eighty-five year old's stubborn resistance to what the Germans would have had him do, a resistance all the more difficult in that his trusted advisers were one after the other banished by German exigencies, while people more acceptable to them were successively forced upon him. He quite obviously assumed the role of a Fabius Cunctator. He tried to gain time, waiting for the Americans in whom he put an unshakable faith; he never doubted that they would liberate France.

His ungrateful task was to limit the injury done to the country in the meantime. How easy it would have been for him, and how profitable to his glory, to stalk away at any time. But he was not thinking of himself. Stücki, the Swiss ambassador, a man of sterling value, has told how in the very last days of Vichy, when the Germans decided to whisk him away to Siegmaringen, Pétain was advised to order his guards to put up a resistance. He answered: "My task this time is to save French lives. Not one is to be laid down for my reputation."

Yet many have been blamed upon him. It is true that some maquis were attacked by the milice in his name. It is also true that many patriotic Frenchmen acted in contradiction to the interests of their country, believing that he could not fail to lead them in the path of honor. He can be held guilty for the great confusion of minds which reigned in France in the last stage of the Occupation, which cost not only the lives of Résistants at the hands of militiamen but afterwards tens of thousands of lives of Vichyssois at the hands of the liberated French.

It might have been better to suffer more under the Occupation but to remain undivided. I thought so at the time, and there is room for doubt whether the creation of the Vichy government was not a great error. But whatever judgment History passes upon the political judgment of one whom no previous experience designated for political leadership in an hour of tragedy, those who have any sense of the pathos of human destiny will regard him as a martyr to his patriotism.

PRODUCED BY UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED